

**Annexation Study
Draft Scope
June 24, 2004**

Budget proviso for annexation study

HB 3068, introduced during the 2004 Legislative Session, proposed a study of the progress of annexation in the key urban counties of the state and to identify both barriers and incentives to achieving full annexation or incorporation of the urban areas in these counties. The bill received strong support from King County, where there are challenges to annexing the remaining unincorporated portions of the county's urban growth areas (UGAs). HB 3068 did not pass, but the Supplemental Budget (ESHB 2459) passed by the Legislature and signed into law by the Governor provides for an annexation study in the six buildable lands counties (King, Pierce, Snohomish, Kitsap, Thurston and Clark). The proviso states:

- (33) \$60,000 of the general fund--state appropriation for fiscal year 2005 is provided solely for a study under (a) through (i) of this subsection. Expenditure of this amount is contingent upon a \$60,000 match from a county with
- a population exceeding one million. The department shall conduct a study to:
- (a) Detail the progress in each of the buildable land counties to date in achieving annexation or incorporation of its urban growth area since adoption of the county's county-wide planning policies to the present time by documenting:
 - (i) The number of acres annexed;
 - (ii) The number of acres incorporated;
 - (iii) The number of residents annexed, incorporated, and remaining in urban unincorporated areas; and
 - (iv) The characteristic of urban land remaining unincorporated in terms of assessed value, infrastructure deficits, service needs, land use, commercial development, and residential development;
 - (b) Determine the characteristics of remaining urban unincorporated areas and current statutes, and estimate when all urban unincorporated areas in each county will be annexed or incorporated, based on the rate of progress to date;
 - (c) Survey the counties to identify those obstacles which, in their experience, slow or prohibit annexation;
 - (d) Survey the cities in each of the subject counties to identify obstacles, which in their experience, slow or prohibit annexation;
 - (e) Survey residents of urban unincorporated areas in each of the subject counties to identify their attitudes towards annexation or incorporation;
 - (f) Propose possible changes to city and county taxing authority which will serve to aid the transfer of annexation of remaining urban growth areas in a

timely manner;

(g) Identify and discuss the need for funding of capital improvement projects needed to provide urban levels of service;

(h) Assess the role and statutory authority of the boundary review board and how altering their role and authority might facilitate annexation; and

(i) Propose possible changes to growth management or annexation processes which will facilitate annexation.

The department shall report to the local government committees of the legislature no later than **December 1, 2004**.

If a county does not wish to participate in this study, the county administrative officer shall submit those intentions, in writing, to the department no later than **July 1, 2004**.

Scope of Work: Tasks, Timeline, and Responsibilities

CTED has one staff person, Dahra Latham, who will begin working on the study part time as of July 1, 2004. The study effort is being led by CTED policy advisor, Heather Ballash, with assistance from Nancy Ousley, Local Government Assistant Director, and Leonard Bauer, Managing Director of the Growth Management Unit. CTED also plans to hire a consultant to conduct some of the survey work. CTED plans to convene a committee to advise the agency on data gathering and possible changes to the growth management or annexation processes that facilitate annexation. The tasks would be apportioned as outlined in the attached Table.

Advisory Committee

CTED contemplates convening an advisory committee to provide input to the agency on approaches to gathering data and developing recommendations to the Legislature. The advisory committee would be convened by CTED staff and would include representatives from state and local agencies involved in or directly affected by the annexation process as follows:

- Counties and cities participating in the study
- Association of Washington Cities
- Washington State Association of Counties
- Ports Association
- Water and Sewer District Association
- Fire District Association
- Public Utility District Association
- Boundary Review Boards
- Municipal Research Services Council
- Washington Department of Revenue
- Washington Office of Financial Management

CTED will also consult with the Governor's office, legislators and staff, and affected nongovernmental stakeholders, including the Association of Washington Business, Building Association of Washington, Washington Association of Realtors, and 1000 Friends of Washington. CTED will present progress on the study at statewide meetings or conferences of these organizations as appropriate. Data from the study and final recommendations will be included in CTED's report to the Legislature on December 1, 2004.